



BYRON. L. DORGAN, U.S. SENATOR BRIAN SCHWEITZER, GOVERNOR

April 19, 2010

The Honorable Kathleen Sebelius U.S. Department of Health and Human Services 200 Independence Avenue, SW Washington, DC 20201

Dear Secretary Sebelius,

With the passage of comprehensive health reform legislation, we've made important progress to make health care more affordable and accessible to millions of Americans. But one area ignored by the law is the issue of escalating prescription drug prices.

We believe that one of the fastest ways to reduce the price of prescription drugs is to empower U.S. consumers to safely purchase FDA-approved prescription drugs sold in Canada and other industrialized countries at a fraction of the prices they are sold for in the U.S.

We appreciate the Administration's support for a safe drug importation program. As you may know, President Obama was a cosponsor of prescription drug importation legislation when he served in the Senate, and his FY 2009 budget included funding for the FDA to begin working on the appropriate framework for importation.

We recognize that the Administration has subsequently expressed concerns about a largescale, nationwide prescription drug importation program where consumers can buy drugs from multiple countries. However, we believe one of the best ways to move this issue forward would be to institute a small demonstration program that could be used to assess the cost savings and effectiveness of drug importation.

As you know, Section 1121 of the Medicare Prescription Drug Improvement and Modernization Act (P.L. 108-173) authorizes the Secretary of Health and Human Services to allow the importation of FDA-approved medicines from Canada by individuals for their personal use and by U.S.-licensed pharmacists and wholesalers for sale. Before this provision can take

effect, the Secretary of Health and Human Services must certify that importing prescription drugs is safe and effective.

We ask that you join our efforts to provide relief to Americans from unfair prescription drug prices by making this certification for the purpose of a limited demonstration program allowing drugs to be imported from Canada only.

The Montana-Dakota Demonstration Program we propose would allow individual consumers and licensed U.S. pharmacists in our states to purchase medication from licensed Canadian pharmacies and require pharmacies to pass the savings along to their consumers. Based on the well-documented savings available on prescription drugs sold in Canada, as well as the similarities of the Canadian drug safety system to our own, we believe it is clear that such a demonstration program would meet the certification requirements.

Residents of Montana and North Dakota filled more than 18 million prescriptions in 2008, spending more than \$1 billion. Allowing residents of these two states to access lower-priced medication from Canada could save as much as \$400 million per year.

We are proposing a demonstration program where residents of Montana and North Dakota could purchase prescription drugs from a limited number of Canadian pharmacies that would be approved by the FDA. This sort of demonstration program will provide our residents with affordable prescription drugs, but it will more importantly help create a model program that, if successful, could be expanded to additional communities.

We would like to set up a time to meet with you or your staff to present a more detailed proposal. We look forward to working with you in support of our common goal.

Thank you for your consideration of our request.

Sincerely,

Byron L. Dorgan U.S. Senator

From X. Day

Brian Schweitzer Governor of Montana